

# City of Durham, NC Housing Profile

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# Today's Roadmap

1. Demographics
2. Housing Affordability
3. Housing Supply
4. Existing Affordable Housing
5. Next Steps

**Appendix:** Background Information for Downtown Rental Subsidy Program

# Useful Definitions

## Income Groups

- *Low-income*: 51-80% AMI
- *Very low income*: 31-50% AMI
- *Extremely low income*:  $\leq 30\%$  AMI

## 2015 Income Limits

Household Size	30% AMI	50% AMI	80% AMI
1 person	14,150	23,600	37,750
2 person	16,200	27,000	43,150
3 person	20,090	30,350	48,550
4 person	24,250	33,700	53,900

## Housing Costs

- *Not cost burdened*: Total housing costs represent  $< 30\%$  of gross household income
- *Moderately cost burdened*: Total housing costs represent 31-50% of gross household income
- *Severely cost burdened*: Total housing costs represent  $> 50\%$  of gross household income

# Highlights

- **Population** is growing and the nature of diversity is changing
- **Rents and home values** have both increased since 2000, although submarkets vary and many areas are still relatively affordable
- **Renters** have the most severe housing cost burdens, especially at the lowest-income levels
  - There is a citywide shortfall in affordable units for very low and extremely low income households
- **Existing affordable housing stock**, which serves the City's most vulnerable populations, has the potential to lose its affordability restrictions
- Population growth, transit dependence and planned public investments will shape short-term and long-term housing affordability
  - Potential target areas include Northeast Central Durham, LRT proposed station areas, and areas near DHA redevelopments.

# DEMOGRAPHICS

# Population and Income: 2000-2013

Population	Persons (2000)	Persons (2013)	% Change 2000-13
City of Durham	187,183	234,922	26%
Durham County	233,314	276,494	19%
North Carolina	8,049,313	9,651,380	20%

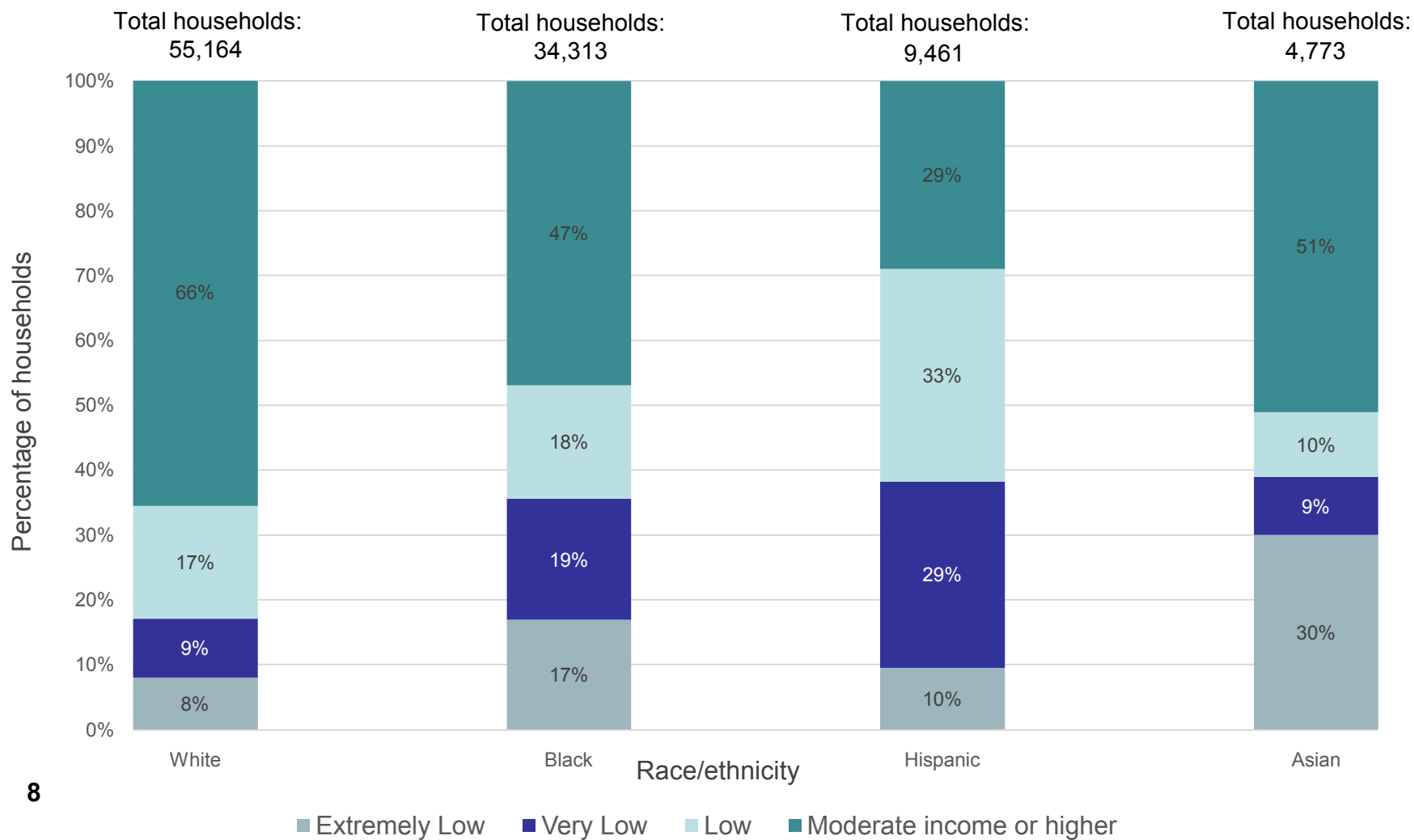
Income	Households (2000)	Households (2013)	% Change 2000-13
30% AMI or below	12,295	12,029	-2%
31-50% AMI	9,105	12,611	39%
51-80% AMI	14,406	17,088	18%
81% AMI or higher	39,155	56,966	46%



## Race and Ethnicity: 2000-2013

Race/ethnicity	Persons (2000)	Persons (2013)	% Change 2000-13
White	85,464	108,609	27%
African American	81,586	93,722	15%
Asian	6,519	11,248	73%
Native Hawaiian or Pacific Islander	60	75	25%
American Indian or Alaskan Native	574	1,052	83%
Some Other Race	8,754	12,694	45%
Two or More Races	4,226	7,522	78%
<b>TOTAL</b>	<b>187,183</b>	<b>234,922</b>	<b>26%</b>
<i>Hispanic</i>	15,922	32,750	106%

# Households by income, race and ethnicity

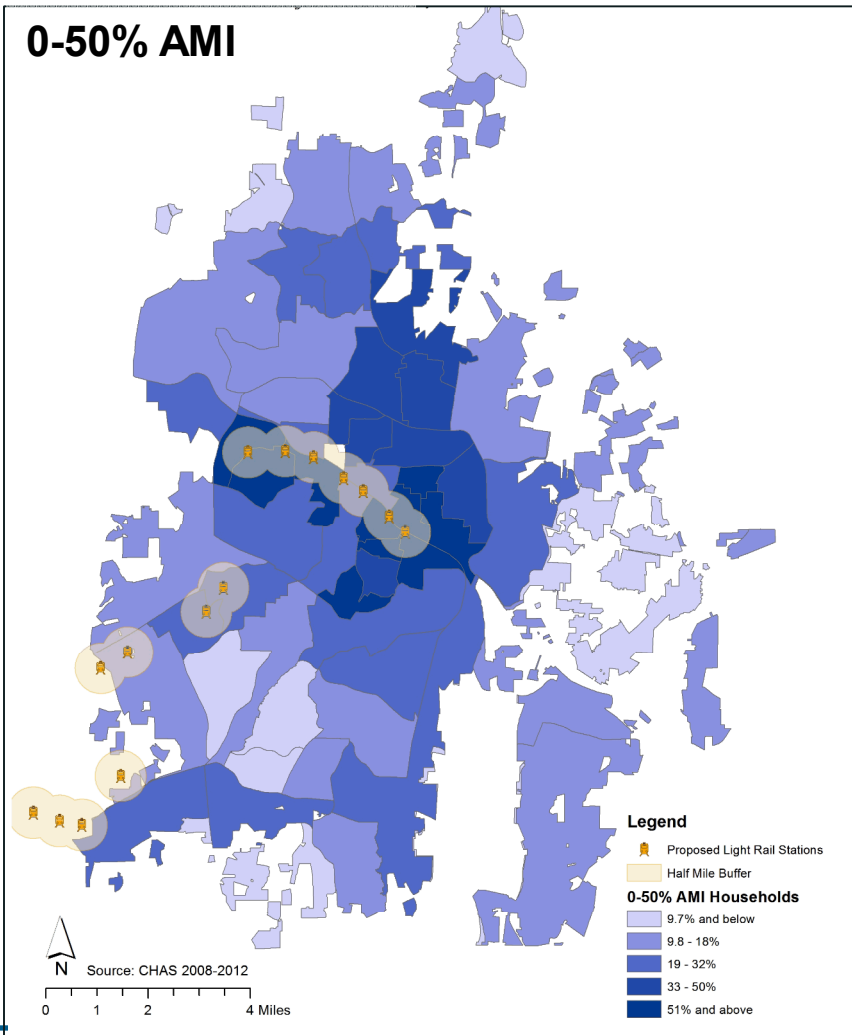




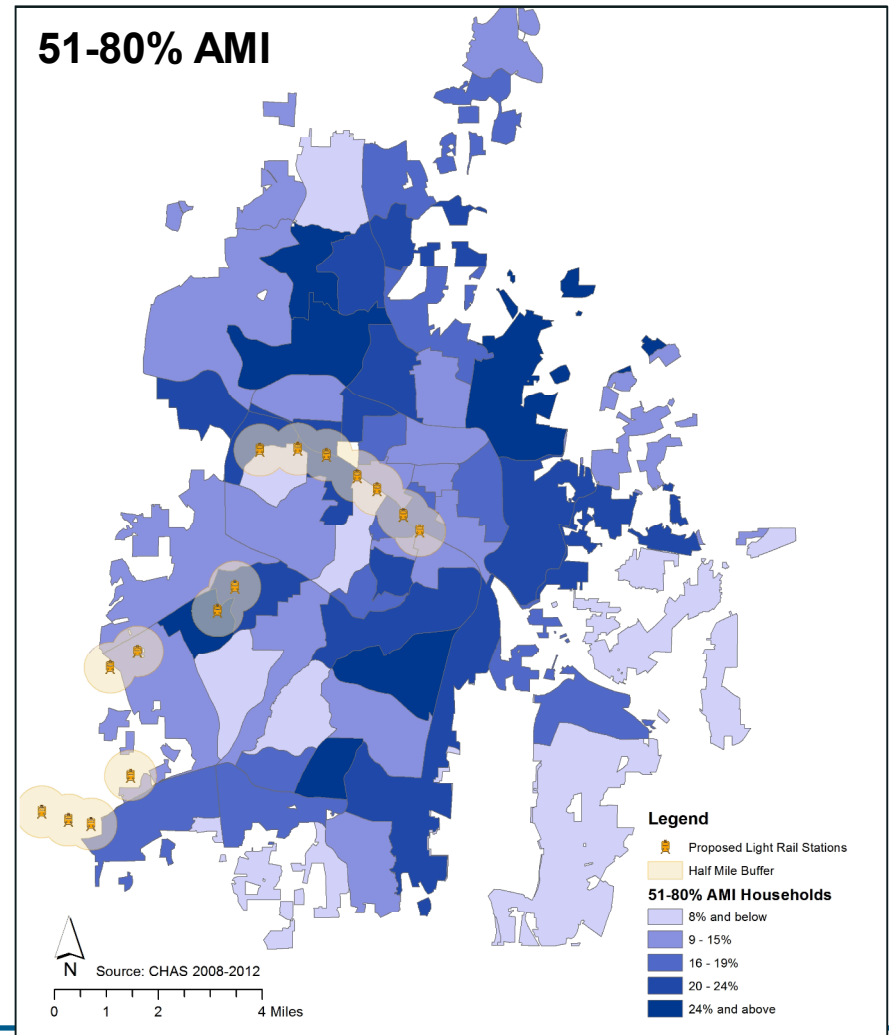
# Low-income households

- In 2013, there were 42,000 low-income households in Durham.

**0-50% AMI**

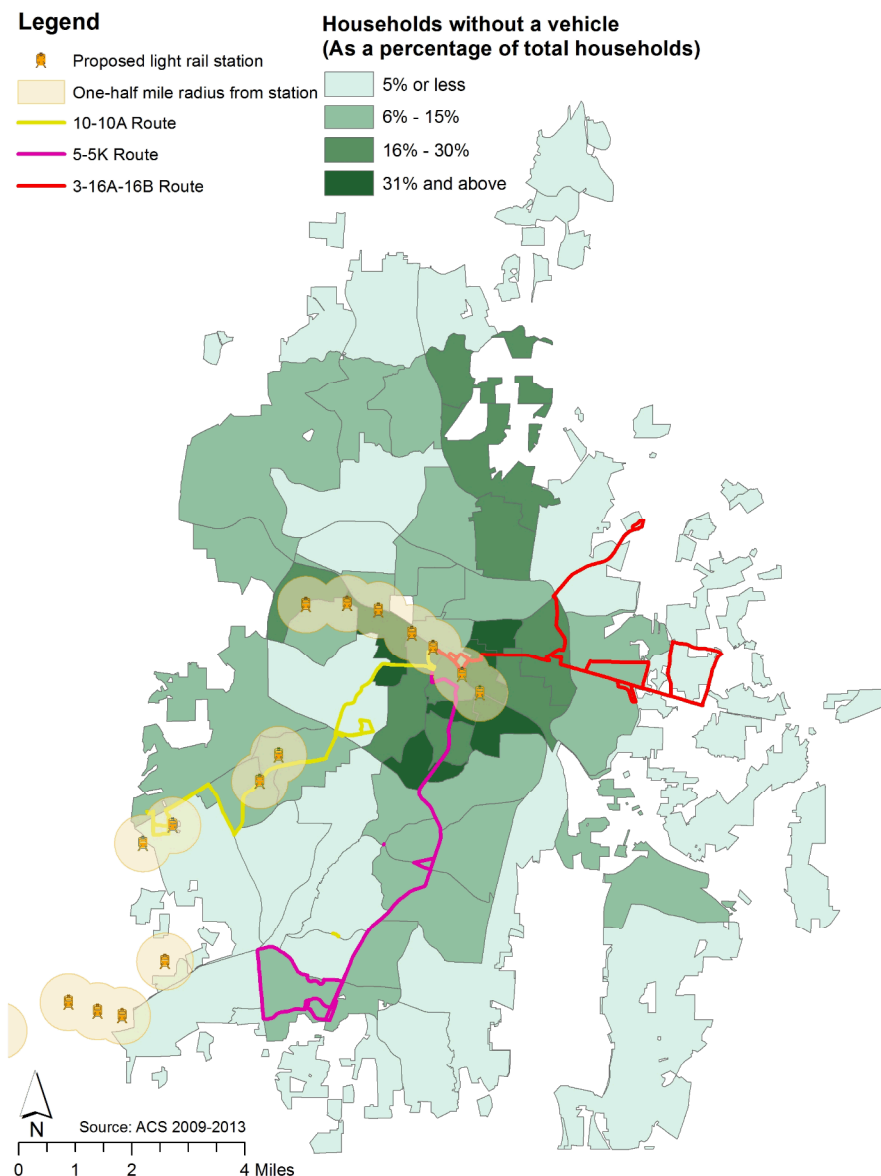


**51-80% AMI**



# Transit-dependent households

- Citywide, nearly 10,000 households do not own vehicles—about 9% of all households.
- 85% of households without vehicles are renters.



# Homelessness in Durham

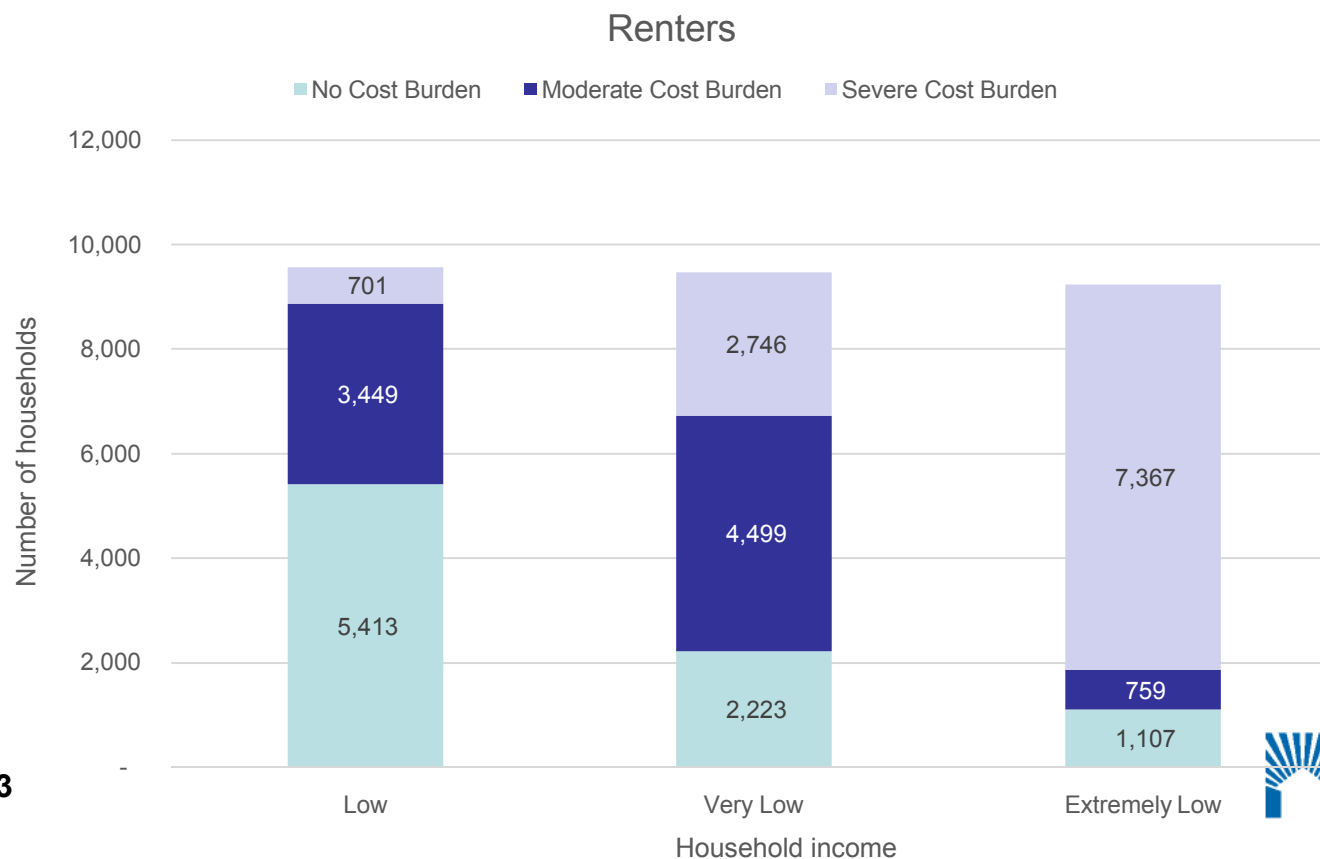
<b>Total Homeless, 2013</b>	<b>753</b>
<b>Homeless Individuals, 2013</b>	<b>572</b>
<b>Homeless People in Families, 2013</b>	<b>181</b>
<b>Chronically Homeless, 2013</b>	<b>87</b>
<b>Homeless Veterans, 2013</b>	<b>93</b>
<b>Homeless Unaccompanied Youth and Children, 2013</b>	<b>35</b>



# HOUSING AFFORDABILITY

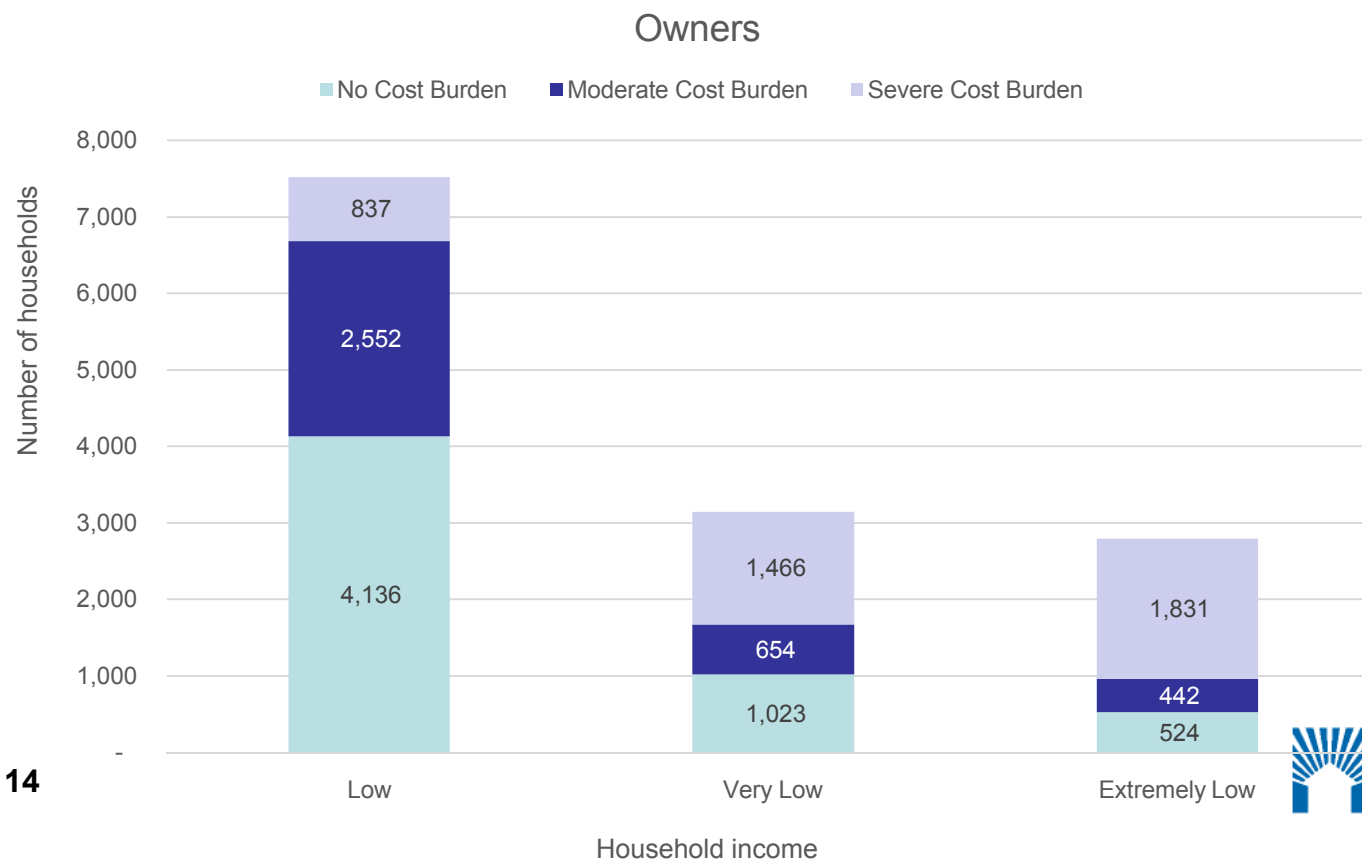
# Cost-burdened renter households

As of 2012, there were 19,500 low-income renters (42% of all renter households) who were paying more than 30% of their total income for housing. Almost 11,000 of these households, the majority very low income, were paying over 50% of their income for housing.



# Cost-burdened owner households

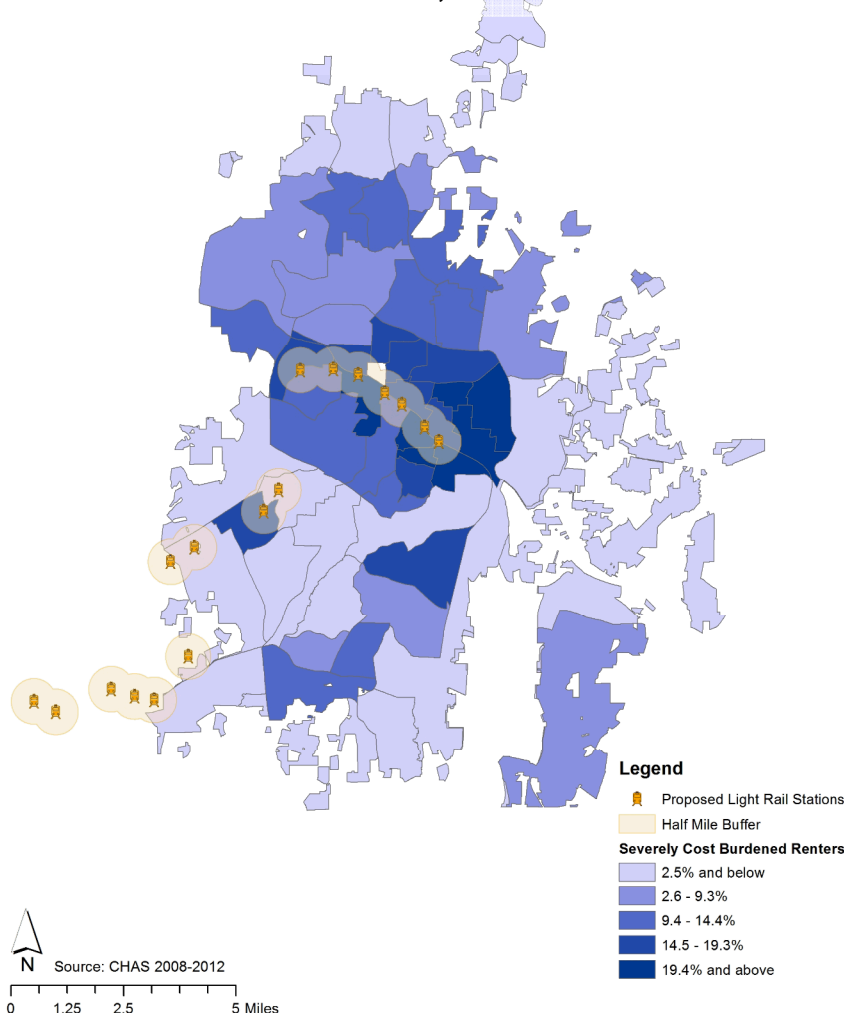
As of 2012, there were almost 7,800 low-income owners (15% of all owner households) who were paying more than 30% of their total income for housing. Over 4,000 of them were paying more than 50% of their income for housing.



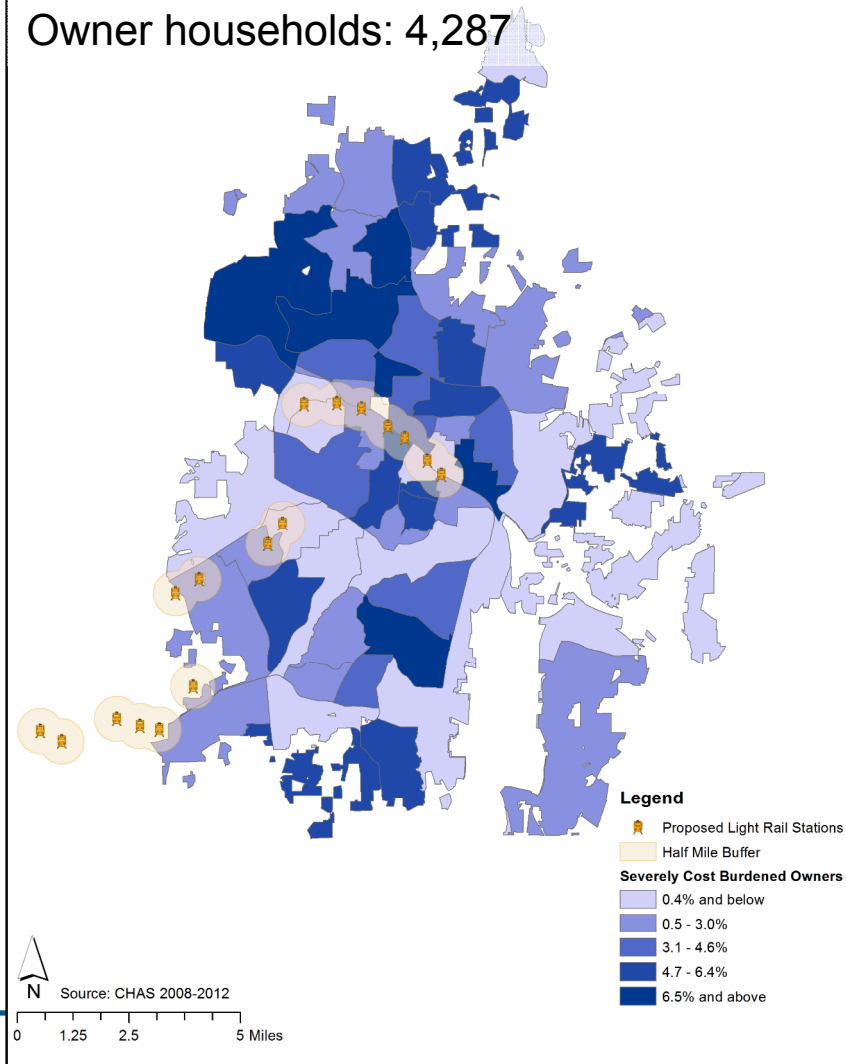
# Severely cost-burdened renter and owners

- Renters represent 72% of all severely cost-burdened household.

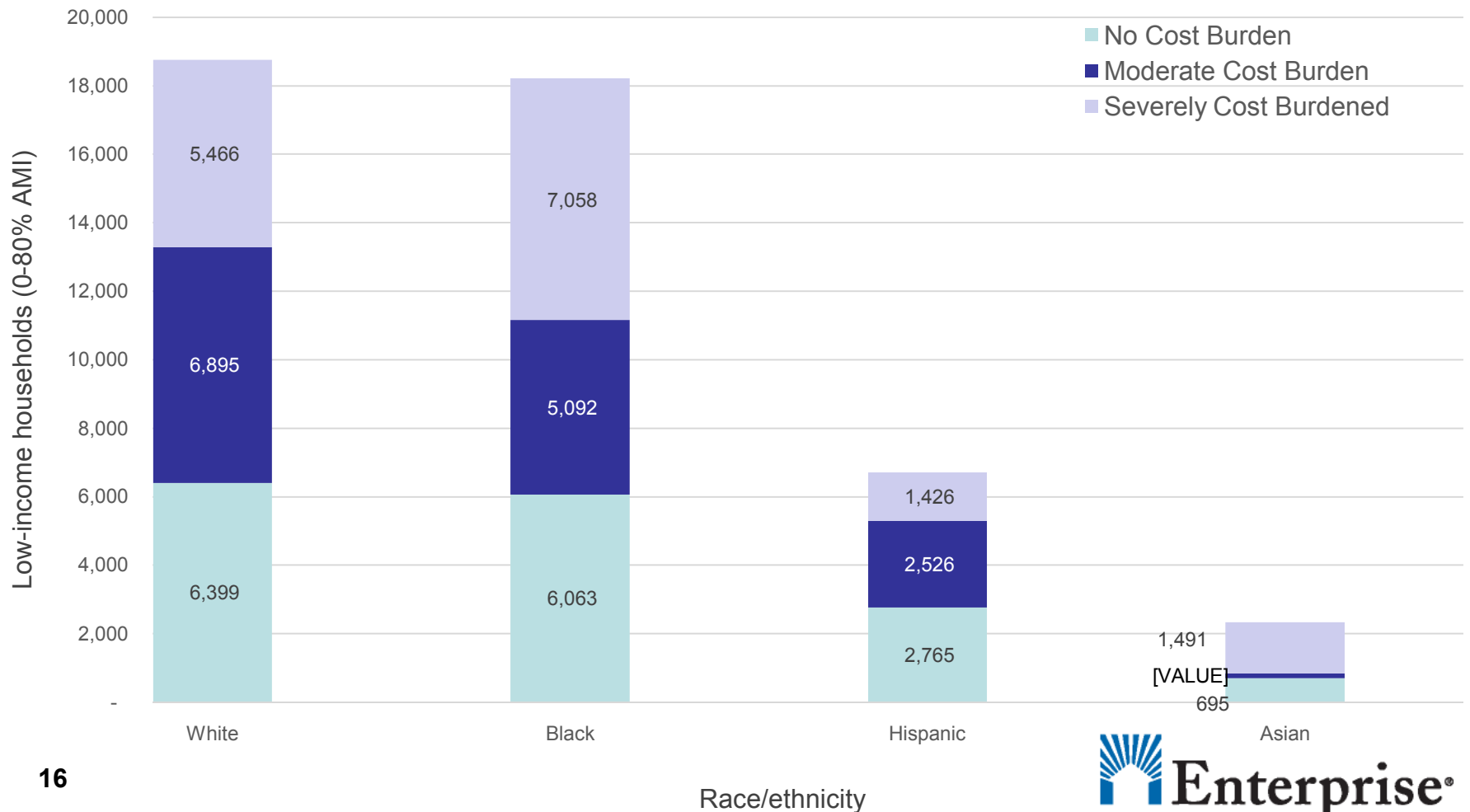
Renter households: 11,141



Owner households: 4,287



# Cost-burdened, low-income households by race/ethnicity



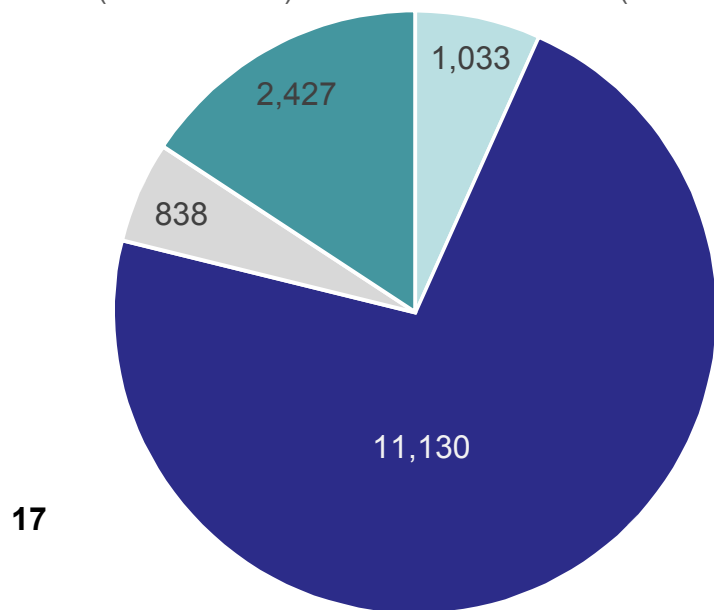


## Severely cost-burdened households by family type and age

- Over 70% of severely cost-burdened households are unmarried families without children.
- 10% of all senior households are cost-burdened, with the largest share among extremely low income seniors.

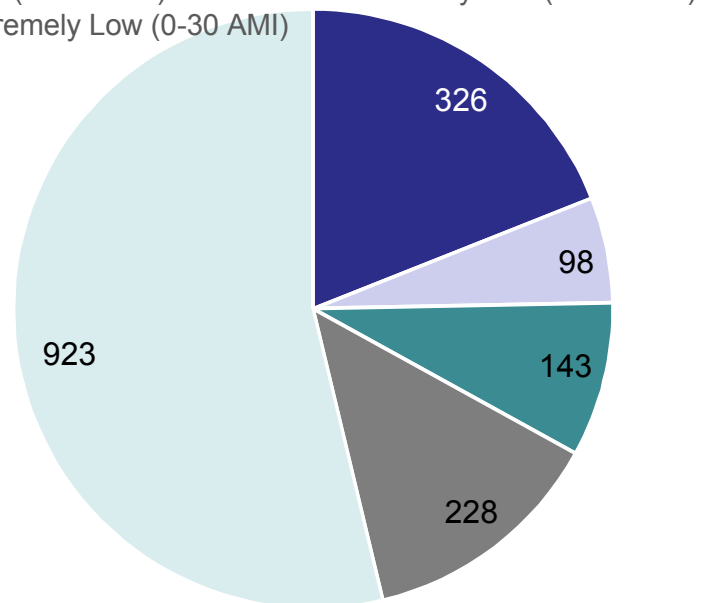
**Family Type**

■ Married (No Children)      ■ Unmarried (No Children)  
■ Married (With Children)      ■ Unmarried (With Children)



**Senior Households**

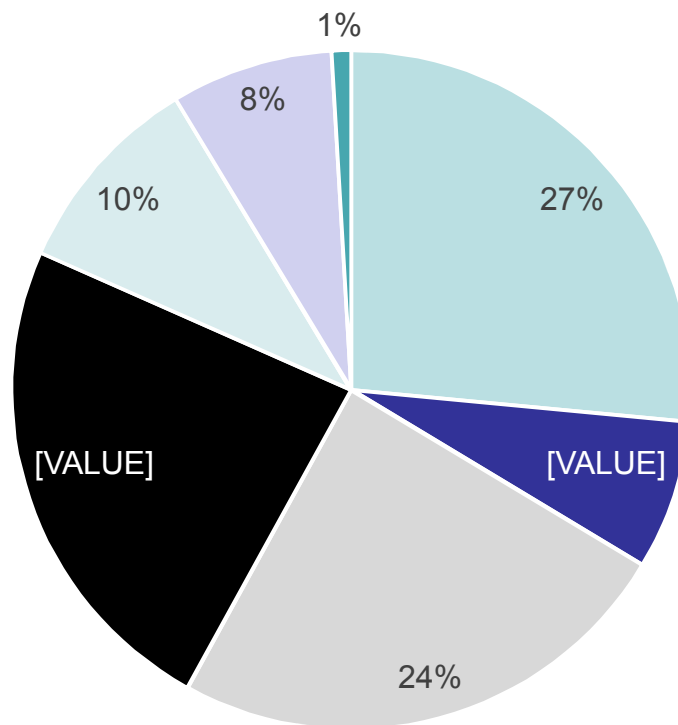
■ High (>100 AMI)      ■ Moderate (81-100 AMI)  
■ Low (51-80 AMI)      ■ Very Low (31-50 AMI)  
■ Extremely Low (0-30 AMI)



# HOUSING SUPPLY

## Rental units by type

- Renters live in single-family homes (27%), followed by buildings with 10-19 units (24%).



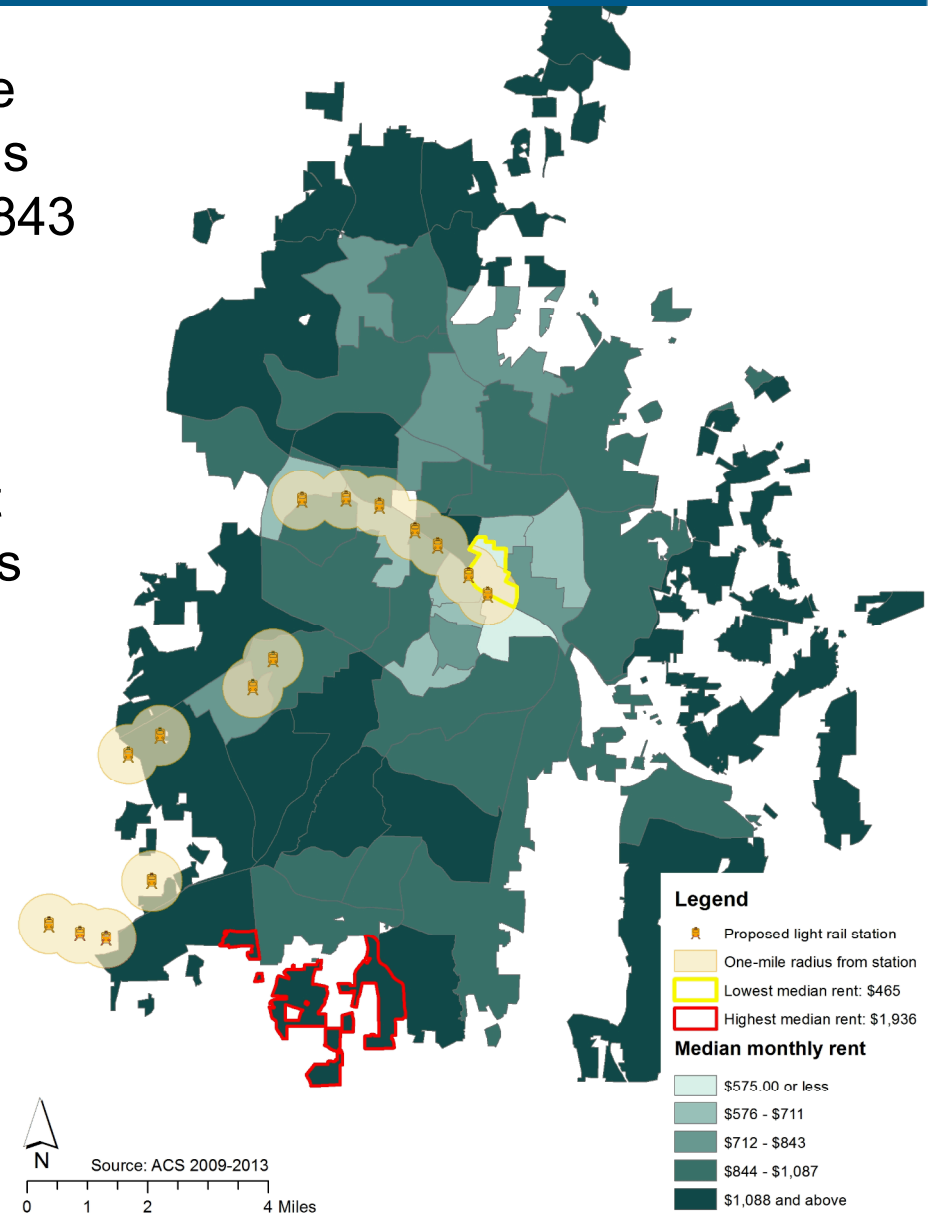
■ Single-Family ■ 2 Units ■ 3-9 units ■ 10 to 19 Units ■ 20 to 49 Units ■ 50 or more Units ■ Mobile homes

# Rental Market

- As of 2013, 3 out of 4 low-income renter households lived in Census tracts with median rents below \$843 (FMR for 2-bedroom).
  - *Lowest median rent: \$465*
  - *Highest median rent: \$1,936*
- Data lags, so information doesn't reflect recent rental market trends

**22%**  
increase in  
median rent  
(2000-2011)

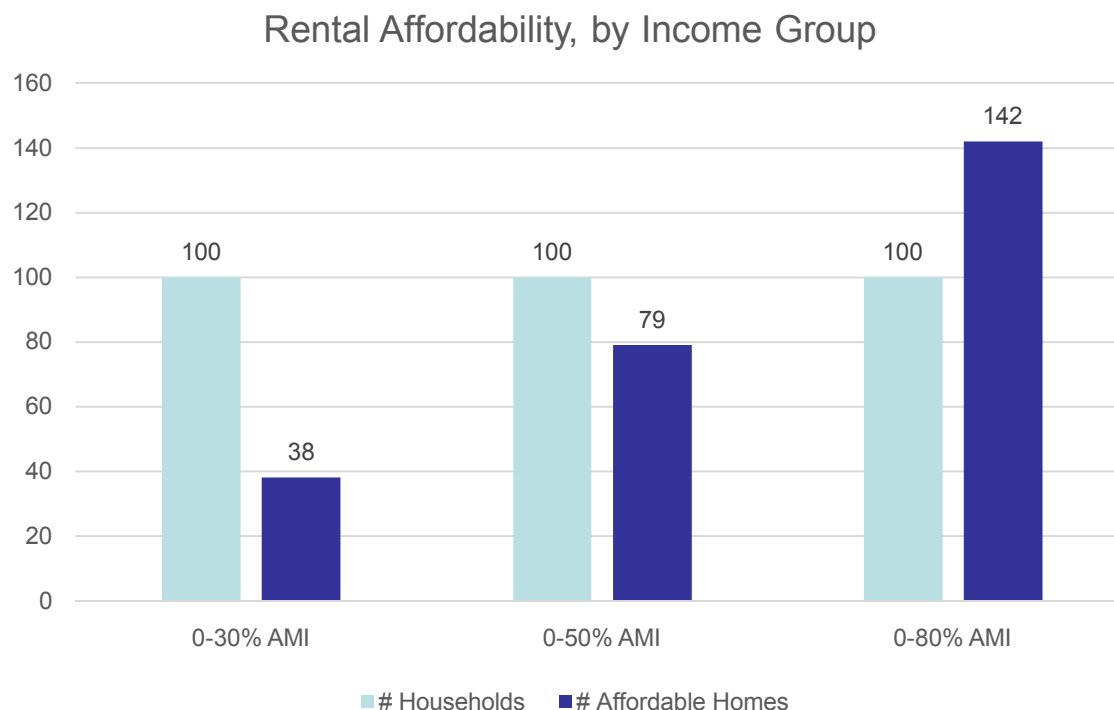
20



# Rental housing supply gap

Citywide, there is a shortage of units affordable to extremely low and very low income households.

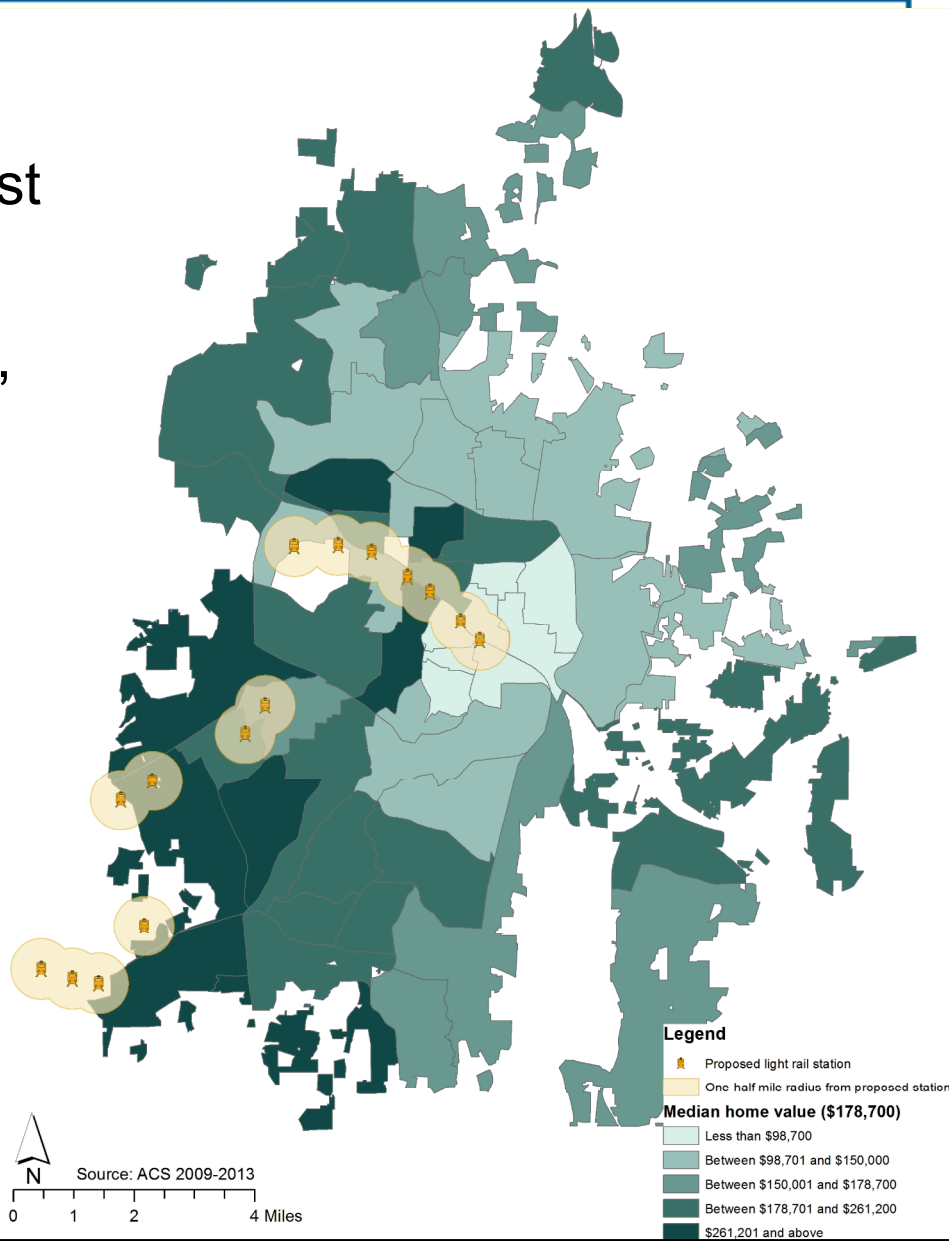
*For example, for every 100 renter households with incomes below 30% AMI, there are 38 rental units that are affordable to them.*



# For Sale Market

- Lowest median home values clustered in east Durham, highest in SW Durham and downtown.
- 2015 median sales price: \$167k, affordable to 3-person households earning \$36,420-48,550 (60-80% AMI).

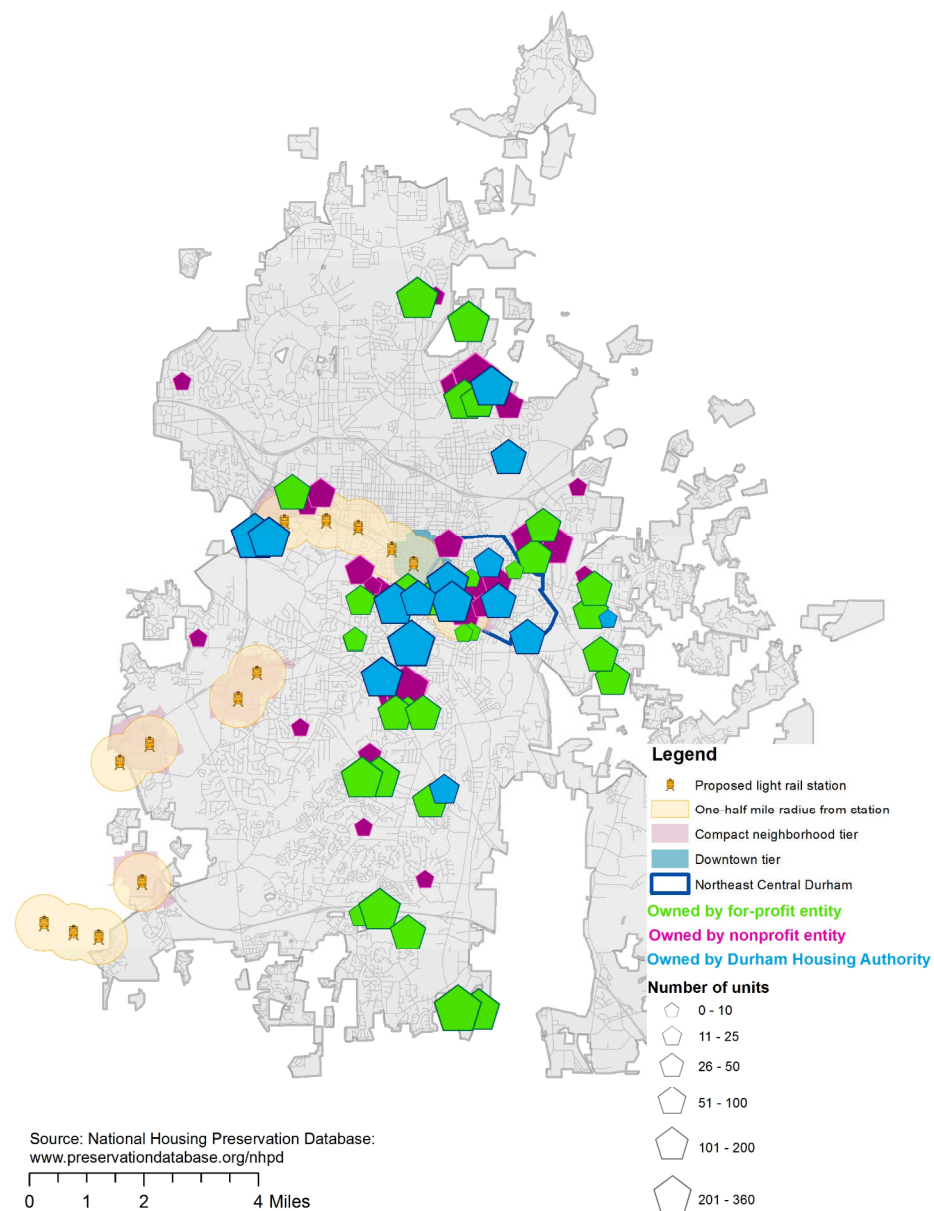
**42%**  
increase in  
median  
home values  
(2000-2011)



# EXISTING AFFORDABLE HOUSING

# Subsidized Housing

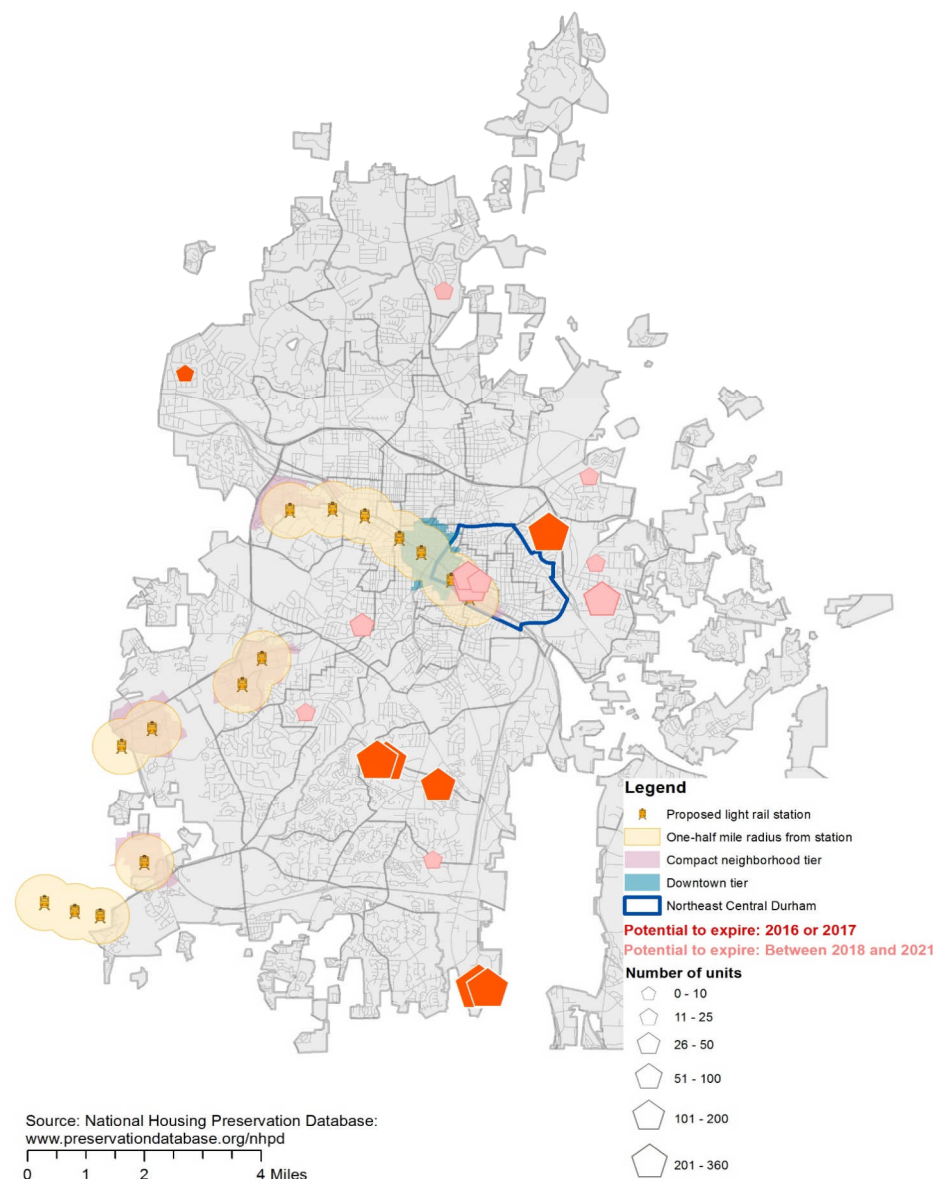
- There are approximately 6,100 income restricted, subsidized homes in Durham
  - For-profit entities own 47%
  - DHA owns 31%
  - Non-profit entities own 22%





# Subsidized housing – Expiring between 2016 and 2021

- 1,240 units have potential to exit affordability restrictions between 2016-21, the majority in the first two years
- Factors that impact continued affordability include extended use agreements, ownership and location



# Strategic opportunities with DHA

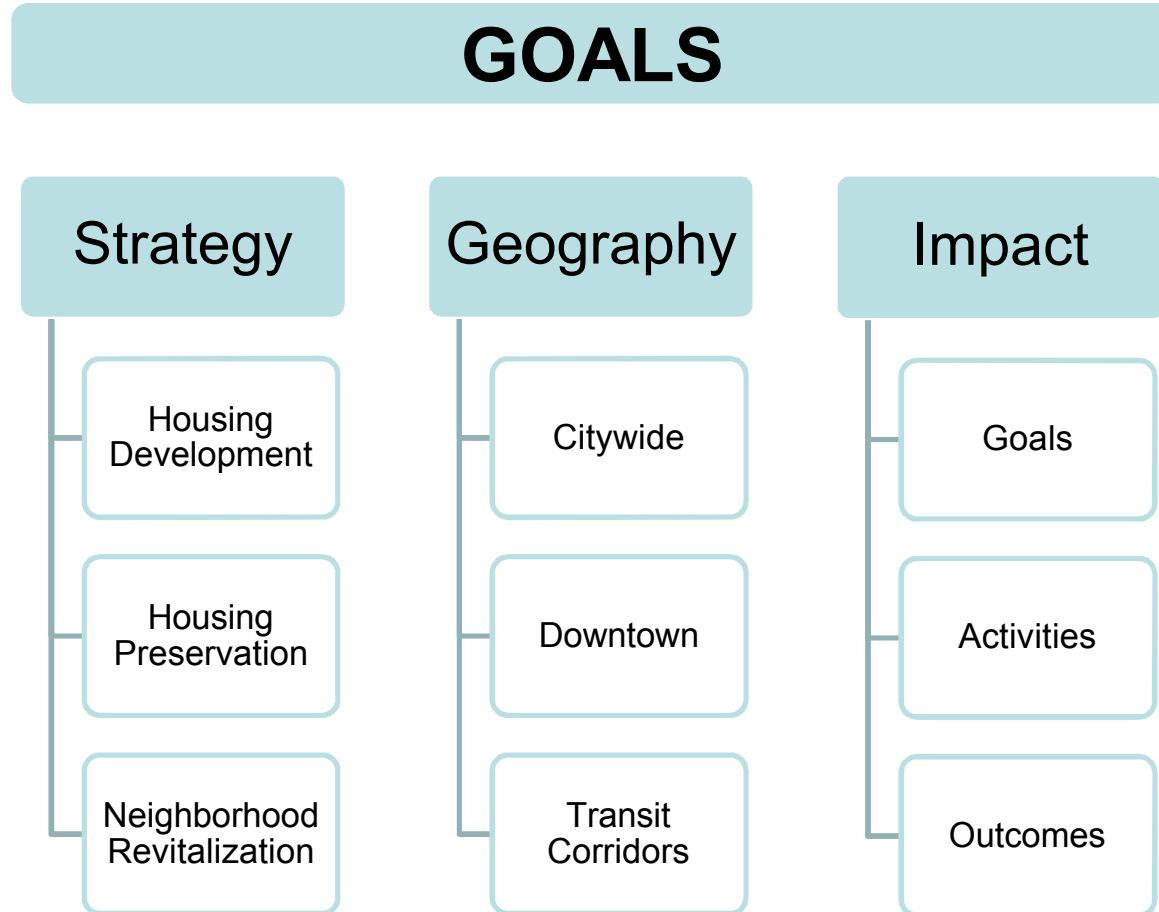


- 50% of DHA's public housing supply (990 units) is located within station areas.
- Upcoming projects have potential to be transformative for entire neighborhoods: McDougall Terrace; Liberty St. and Oldham Tower

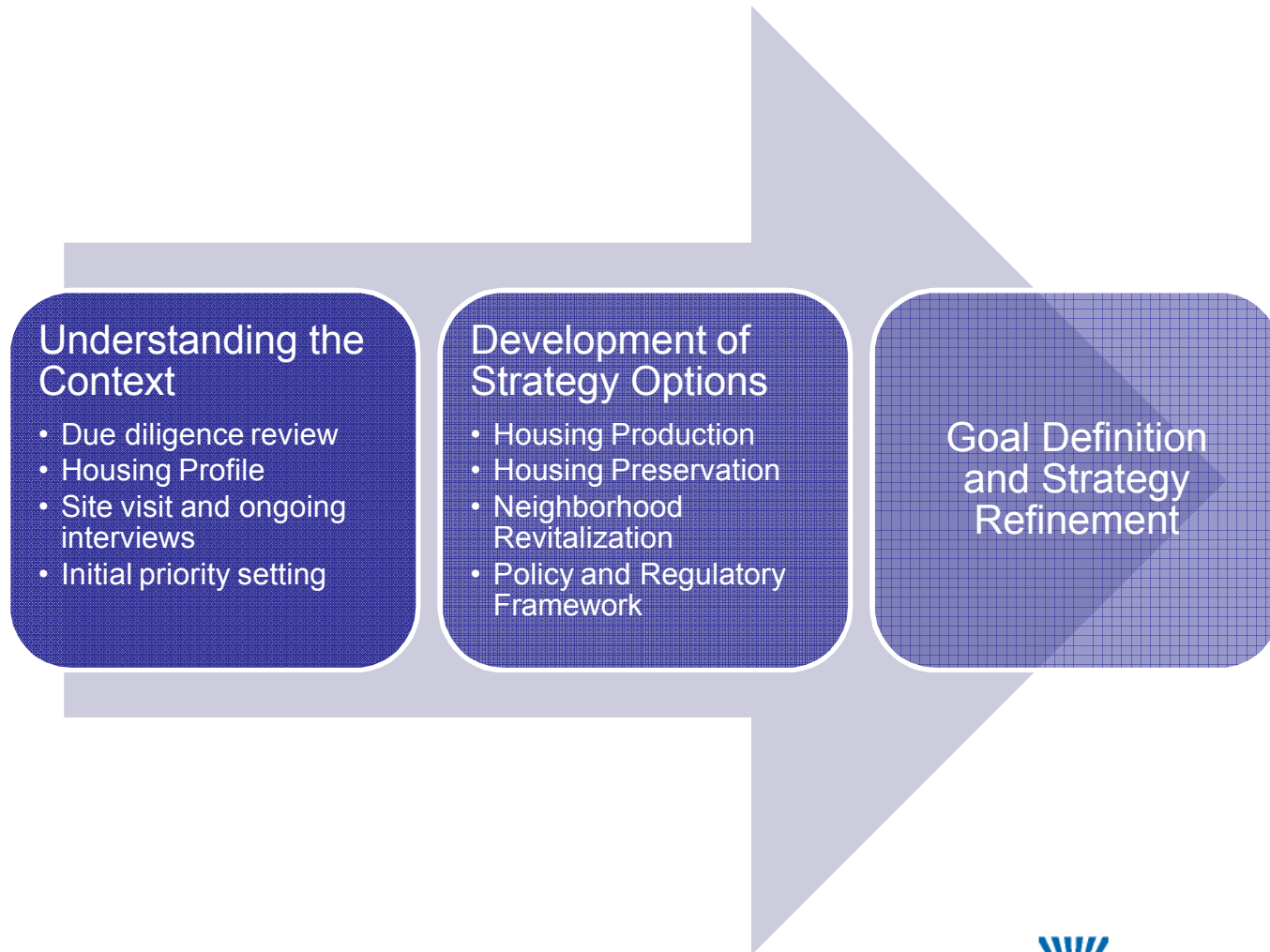


# NEXT STEPS

# Our Goal: Develop a Strategy Framework



# Strategy Development Process



**[www.EnterpriseCommunity.org](http://www.EnterpriseCommunity.org)**  
**[www.EnterpriseCommunity.com](http://www.EnterpriseCommunity.com)**



# **APPENDIX**

## Background Information for Downtown Rental Subsidy Program

## Low-Income Households (51-80% AMI)

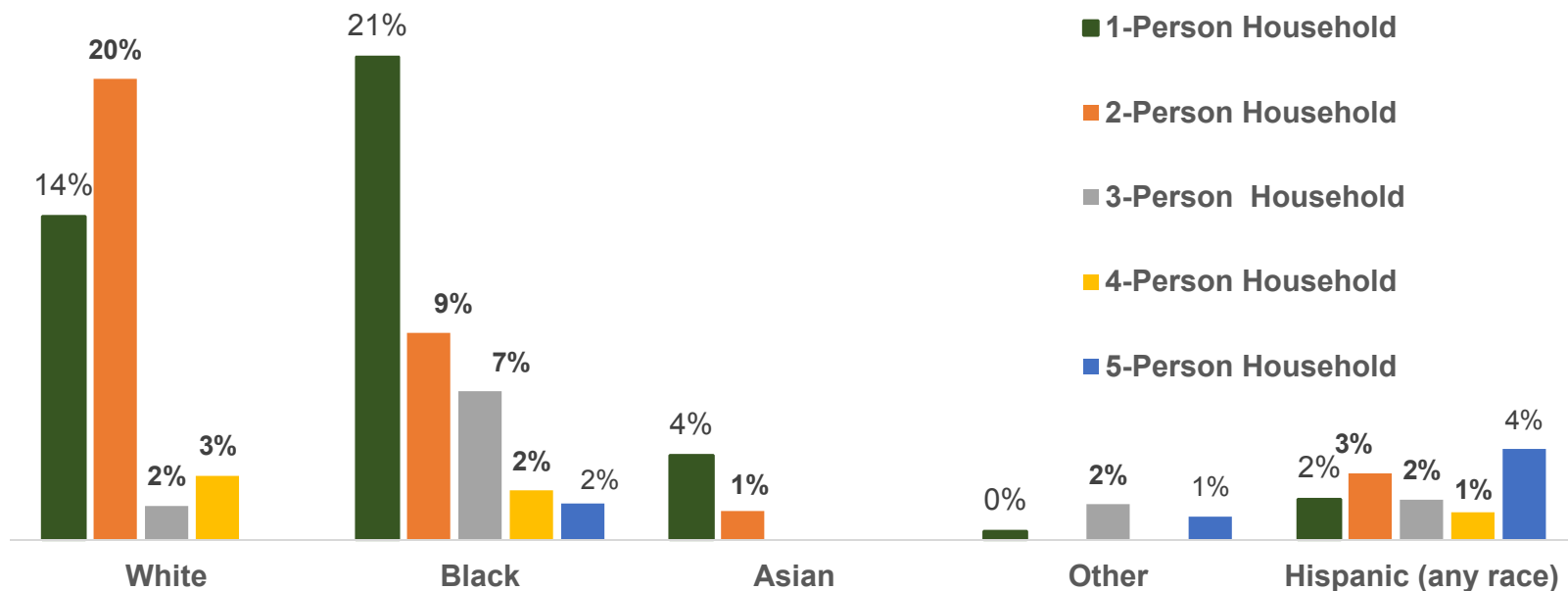
Citywide, there are approximately 16,500 low-income households.

Race/ethnicity of Head of Household	Number	%
Black	6,754	41%
White	6,446	39%
Asian	829	5%
Other	494	3%
Hispanic (any race)	1,942	12%



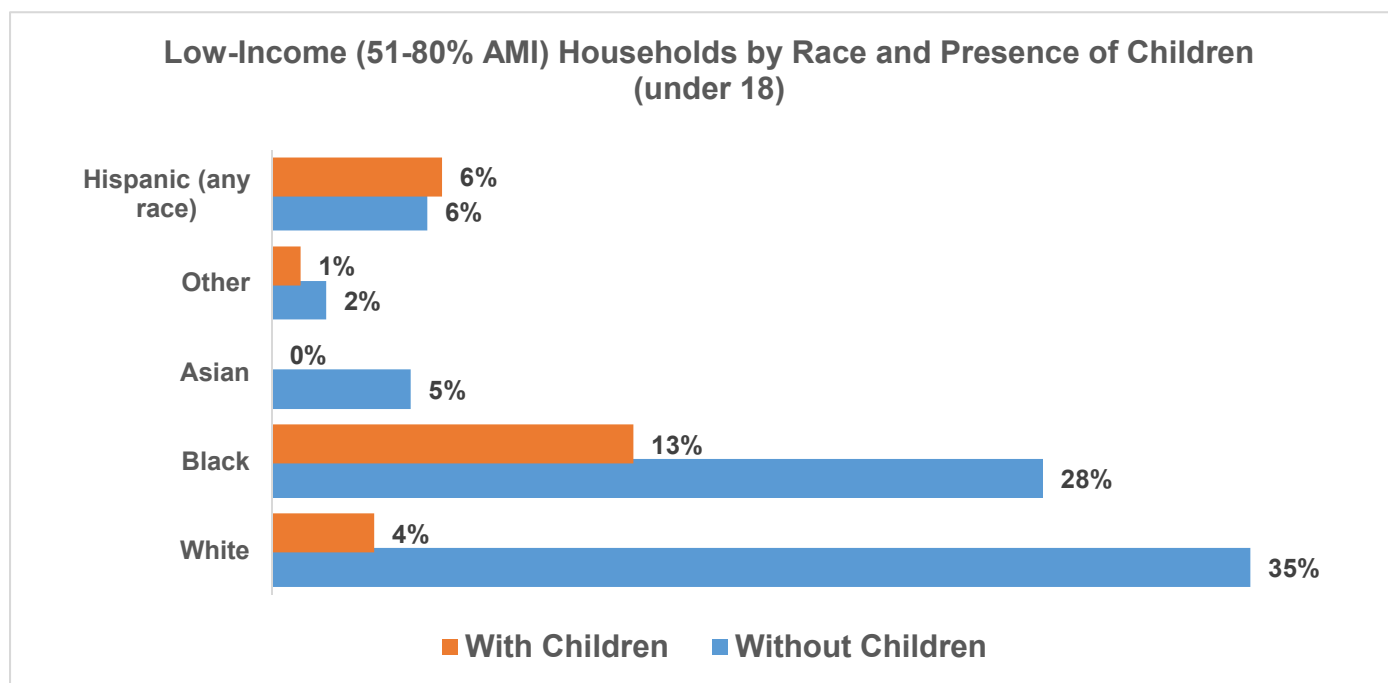
# Low-Income Households (51-80% AMI)

Low-Income (51-80% AMI) Households by Race and Household Size



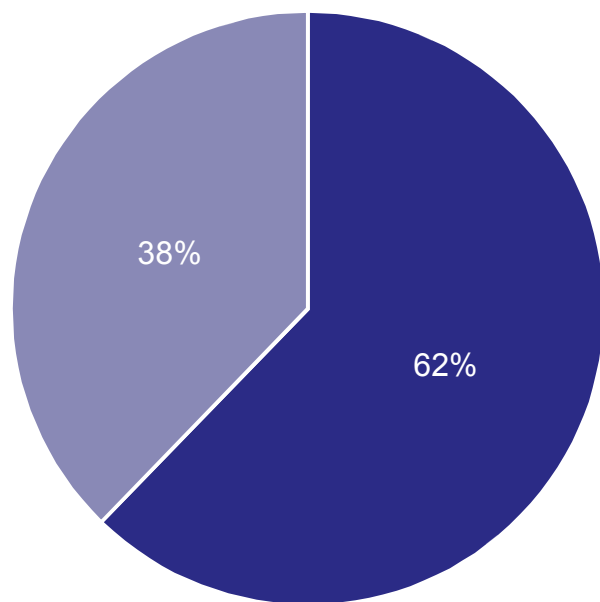
## Low-Income Households (51-80% AMI)

24% of low-income households include children under the age of 18.



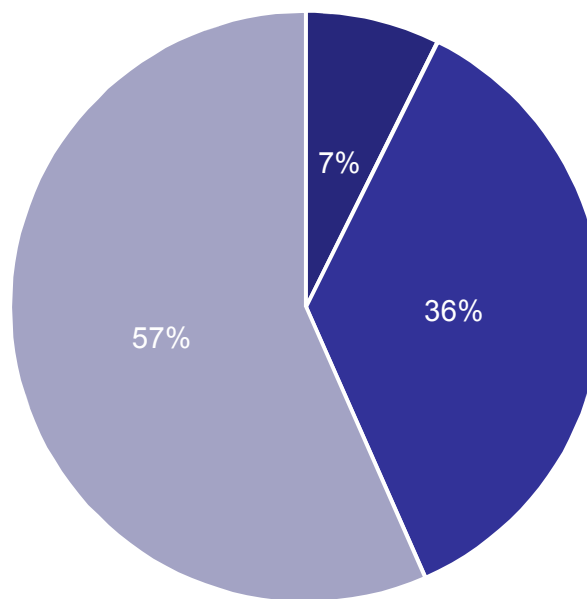
# Low-Income Households (51-80% AMI)

Low-Income Households by Housing Tenure



■ Renters ■ Owners

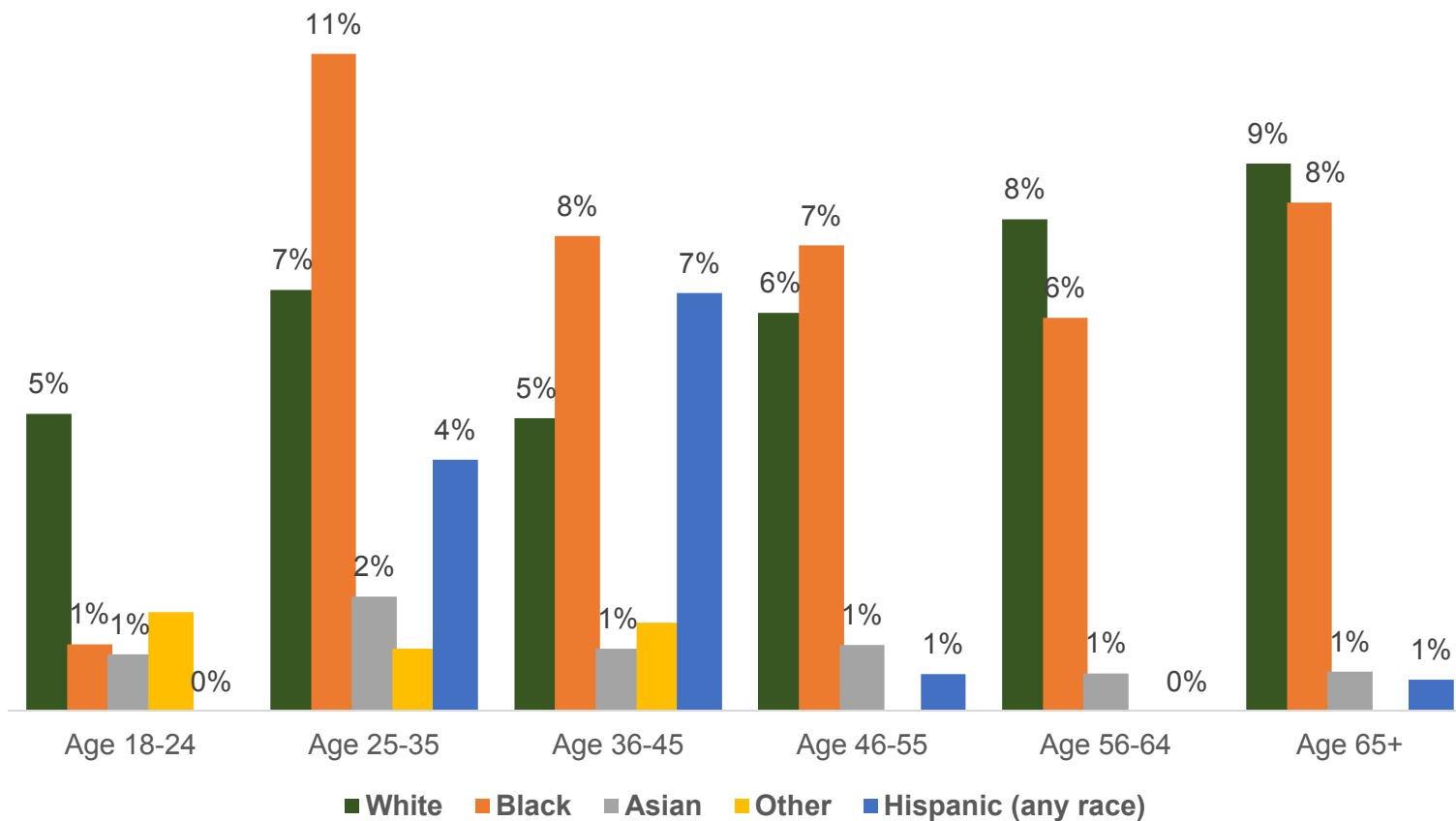
Low-Income Renters by Housing Cost Burden



■ Severely cost burdened ■ Moderately cost burdened  
■ Not cost burdened

# Low-Income Households (51-80% AMI)

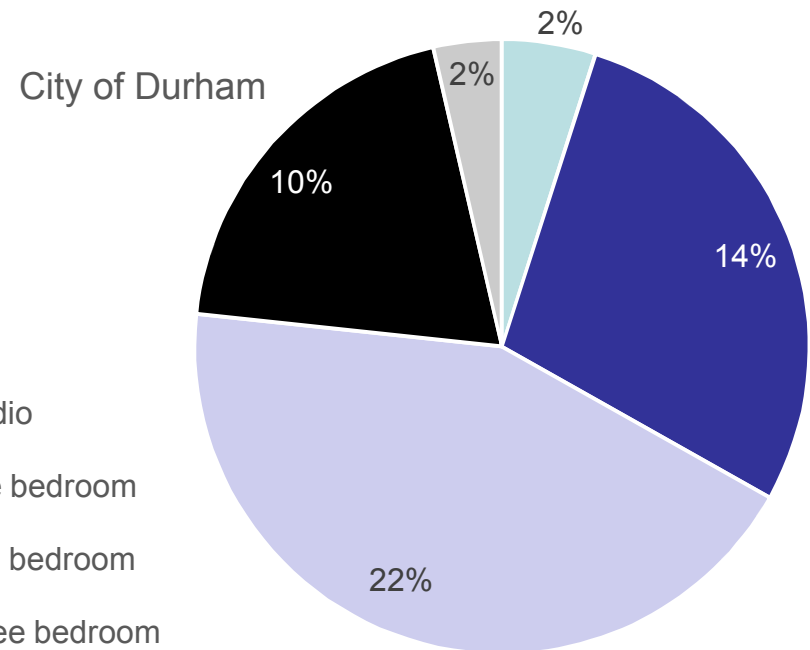
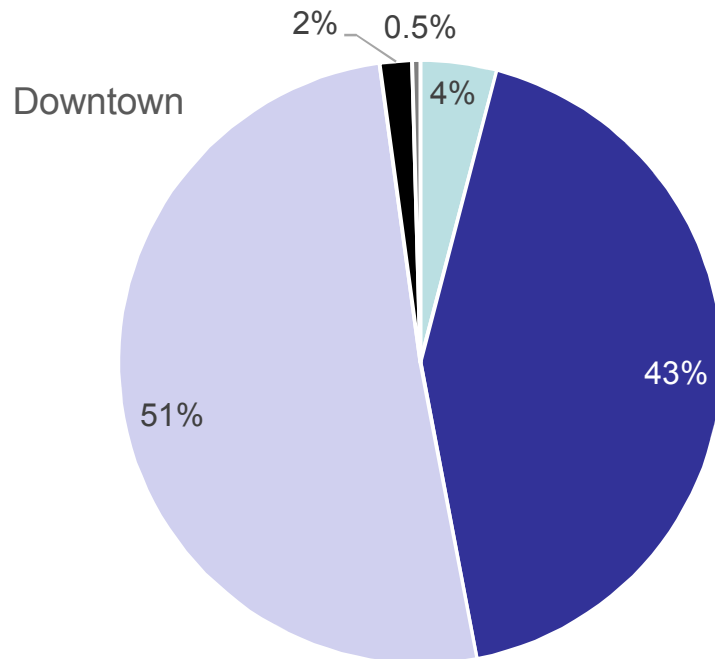
Low-Income (51-80% AMI) Households by Race and Age of Householder



# Downtown rental market

There are 833 apartments downtown, plus another 380 under construction. As of March 2015, these properties had a 29% vacancy rate.

## *Rental units by bedroom*



- Studio
- One bedroom
- Two bedroom
- Three bedroom
- Four bedroom

## Downtown rental market

- Larger, newer rental properties in the downtown area have higher average rates than the citywide median rent (\$714) or HUD FMRs.

**Average Monthly Rents**

Unit Size	Downtown (50+ units buildings)	Citywide (50+ unit buildings)	2015 FMR
Efficiency	\$1,005	\$828	\$597
1 BR	\$1,270	\$883	\$737
2 BR	\$1,522	\$989	\$874
3 BR	\$2,427	\$1,097	\$1,127
4 BR	\$2,466	\$2,466	\$1,320
All	\$1,413	\$955	-